

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

GOLI NUTRITION INC., *et al.*,¹

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 24-10438 (LSS)

(Jointly Administered)

Re: Docket Nos. 7 & 8

SADDLE RANCH APG LLC’S RESPONSE TO PETITIONER’S MOTION FOR ENTRY OF AN ORDER (I) RECOGNIZING AND ENFORCING THE RVO AND THE ATOS SALE ORDER, (II) APPROVING THE SALE TRANSACTIONS FREE AND CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES, AND (III) GRANTING RELATED RELIEF

Saddle Ranch APG LLC, as lessor (“Saddle Ranch” or the “Lessor”) of that certain property known as the Norco Facility (as defined in the Motion (defined below)), by and through their undersigned attorneys, respond (this “Response”) to the *Petitioner’s Motion for Entry of an Order (I) Recognizing and Enforcing the RVO and the Atos Sale Order, (II) Approving the Sale Transactions Free and Clear of Liens, Claims, and Encumbrances, and (III) Granting Related Relief* (Dkt. No. 7, 8, collectively, the “Motion”),² and state as follows:

1. As noted in the Motion, the Debtors seek to utilize, postpetition, the Lessor’s property, referred to in the Motion as the Norco Facility, to effectuate a sale of the Atos Equipment. See Motion at ¶¶ 31-33. The Debtors entered into an agency agreement with Gordon Brothers

¹ The Debtors in these Chapter 15 cases, are: Goli Nutrition, Inc., a company incorporated in Québec, Canada and the last 4 digits of its Canadian business number is 0002; and Goli Nutrition Inc., a company incorporated in Delaware and the last 4 digits of its federal tax identification number is 2655. The Debtors are collectively managed from their corporate headquarters which are located at 2205 Boul. De la Côte-Vertu, suite 200, Montreal, Québec, Canada.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Commercial & Industrial, LLC (the “Agent”) for the purpose of liquidating the Atos Equipment for the benefit of Goli Canada’s creditors (“Agency Agreement”).

2. The Agency Agreement contemplates that the Debtors—through the Agent—will require a period of three and one half (3½) months of peaceful access to the Norco Facility where the Atos Equipment is located to complete the sale and auction process, during which time Goli US will pay occupation rent and certain other related expenses. *See* Motion at ¶ 33.

3. Saddle Ranch does not believe such an extended timeline of possession of the Norco Facility is necessary for Debtors. There have been demonstrable concerns regarding the safety and potential damage to the Norco Facility during its extended possession by the Debtors through the auction process contemplated by the Motion. Such concerns include, without limitation, breaches of the security implemented on the premises and the dumping of various product by unknown sources. Further, to conduct an auction (or auctions) on Saddle Ranch’s property would require further risk to the safety and condition of the property with potential prospective purchasers attending on site. Finally, it is understood that, to revert the property to broom clean condition—as required by the Norco Facility lease—significant efforts would be required to remove machinery and other items from the premises, no doubt risking damage to the facility and, thus Saddle Ranch’s interest.

4. These and other concerns have been raised and discussed among the parties, and the parties are negotiating the terms of an agreed-upon arrangement to account for such postpetition damages. Should the parties fail to reach an agreement, Saddle Ranch intends to seek relief from the Court to compel rejection of the lease of the Norco Facility. Such rejection, if granted, would have a material effect on the Agent’s ability to hold auction or auctions as contemplated by the Motion. Accordingly, Saddle Ranch reserves all rights with respect to the

relief sought in the Motion to the extent that it contemplates requiring Saddle Ranch to continue performing under the Norco Facility lease while the Debtors conduct an auction or auctions on the premises.

Dated: April 11, 2024

Respectfully submitted,

/s/ Matthew P. Milana

John H. Knight (No. 3848)

Matthew P. Milana (No. 6681)

RICHARDS, LAYTON & FINGER, P.A.

One Rodney Square

920 North King Street

Wilmington, Delaware 19801

Telephone: (302) 651-7700

Facsimile: (302) 651-7701

Email: knight@rlf.com; milana@rlf.com

and

WINSTON & STRAWN LLP

Carrie V. Hardman (*pro hac vice* admission
pending)

200 Park Avenue

New York, NY 10166

Telephone: (212) 294-6700

Facsimile: (212) 294-4700

Email: chardman@winston.com

Counsel to Saddle Ranch APG LLC